

Meet Our Trust Responsibilities to American Indians and Our Commitments to Island Communities

Today there are more than 550 federally recognized American Indian and Alaska Native tribal governments in the United States. Each possesses inherent governmental authority deriving from its original sovereignty, a long-recognized principle of U.S. Constitutional law. The federal Indian trust responsibility is a legal duty on the part of the United States to protect Indian land and resources, fulfill treaty obligations, and carry out the mandates of federal law for the benefit of American Indian and Native Alaska tribal members.

The Bureau of Indian Affairs (BIA) is the primary agency of the federal government charged with the responsibility for administering federal Indian policy and discharging the federal trust responsibility for American Indian tribes, Alaska Native villages, and tribal organizations. The BIA provides services directly, or through agreements with tribes, to approximately 1.4 million American Indians and Alaska Natives in 31 states. The extensive scope of BIA programs covers virtually the entire range of state and local government services, including:

- elementary, secondary, and post-secondary education
- social services
- law enforcement
- judicial courts
- business loans
- land and heirship records
- tribal government support
- forestry, agriculture, and rangeland development
- water resources
- fish, wildlife, and parks
- roads and housing
- adult and juvenile detention facilities
- irrigation and power systems

Under the self-determination and self-governance policies, tribes are increasingly assuming day-to-day management responsibilities over programs operated by the BIA. Achievement of self-determination demands a federal commitment that invests sufficient resources over the long term to assist tribes in developing self-government, an economic base, and social and educational institutions while preserving the tribal culture. In 2000, tribal governments received about \$1 billion through contracts, grants, and compacts for operating programs and completing construction projects.

BIA programs are funded and operated in a highly decentralized manner. Nearly 90 percent of all appropriations now are expended at the local level, increasingly by tribes and tribal organizations operating under contracts or self-governance compacts. In addition, the BIA administers more than 45 million acres of tribally owned land, approximately 10 million acres of individually owned land held in trust status, and about 309,000 acres of federally owned land.

“The role of the BIA has changed significantly over the past two decades. The emphasis today is on tribal self-determination and self-governance, in accord with tribes’ sovereign authority.”

The Office of the Special Trustee for American Indians (OST) has responsibility for improving the accountability and management of Indian funds held in trust by the federal government. As trustee, the Department of the Interior has the primary fiduciary responsibility to manage both tribal trust funds and Individual Indian Monies (IIM) accounts. Currently, OST maintains approximately 1,400 accounts for 315 tribal entities with assets exceeding \$2.5 billion, and over 285,000 IIM accounts with assets of approximately \$480 million. Annually, more than \$800 million passes through the tribal trust funds system, while over \$300 million passes through IIM accounts.

Interior also provides services related to energy and mineral development to tribes. The Bureau of Land Management is responsible for mineral leasing on tribal lands. The Minerals Management Service collects, accounts for, and distributes mineral revenues to tribes and allottees.

In 2000, the Department employed the following crosscutting strategies to achieve the goal of meeting our responsibilities to American Indians:

- Consulted on a government-to-government basis with tribal officials to ensure that the Department is an effective and responsive trustee;
- Supported private and public partnership initiatives to enhance tribal economic growth and opportunity;
- Reduced barriers and impediments to contracting and/or compacting of BIA programs;
- Provided the support necessary to improve the economic status of tribes through improved human capital and the promotion of self-sustaining businesses;
- Improved public safety in Indian communities through improved law enforcement services that reduced crime rates; and
- Developed conservation and management plans to protect and preserve the natural resources on tribal lands.

The Department also has administrative responsibility for coordinating federal policy in the territories of American Samoa, Guam, the U.S. Virgin Islands, and the Commonwealth of the Northern Mariana Islands, and for overseeing federal programs and funds in the freely associated states of the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau. Interior's objective is to develop more efficient and effective government in the insular areas by recommending policies, providing financial and technical assistance, and strengthening federal-insular relationships.

The major departmental activities to achieve the goal of meeting our responsibilities to American Indians and island communities are summarized in *Figure 9*.

Figure 9

Goal 5 – Meet Our Trust Responsibilities to American Indians and Our Commitments to Island Communities	
GPRA Program Activity	2000 Expenses (\$ in millions)
A. Tribal Government and Related Activities	
A1. Tribal Government	\$407
A2. Economic and Technical Assistance	281
<i>Subtotal A</i>	<i>688</i>
B. Tribal Quality of Life	
B1. Public Safety and Justice	121
B2. Community Development	738
B3. Administrative and Support Services	342
B4. Education	612
<i>Subtotal B</i>	<i>1,813</i>
C. Trust Services	
C1. Resources Management	260
C2. Trust Lands and Resources	121
C3. Trust Management	86
<i>Subtotal C</i>	<i>467</i>
D. Island Communities	
D1. Serving Island Communities	482
<i>Subtotal D</i>	<i>482</i>
Total – Goal 5	\$3,450

Tribal Government and Related Activities

Tribal Government

Desired Result: Provide tribes with the resources they need to foster strong and stable tribal governments and to exercise their rights as sovereign nations.

The Bureau of Indian Affairs provides tribal government support under several broad and specific authorities that authorize the Secretary of the Interior to provide services to American Indians and Alaska Natives. This support includes technical assistance to tribal governments on matters such as P.L. 93-638 (Indian Self-Determination and Education Assistance Act) contracting, contract support issues, membership criteria, enrollment, judgment funds, and recognition of Indian tribes.

The Indian Self-Determination and Education Assistance Act authorizes tribes to enter into contracts, grants, cooperative agreements, or compacts with BIA. The self-determination authority allows tribes to operate programs and provide services to Indian people that were at one time provided only by BIA. This gives contracting or compacting tribes the authority and the flexibility to move funds from one program to another to meet the needs of their constituents.

Performance Measure: At one time, BIA provided virtually all services and programs directly to American Indians. Today, federal policy emphasis is on self-determination and self-governance. The long-term goal by 2005 is to promote Indian self-determination by enhancing training and technical assistance by 90 percent and by minimizing impediments to tribal contracting, compacting, and grants.

2000 Results: The BIA exceeded performance targets for training and technical assistance as a result of the development of a new reporting format that calculates and records the level of training given in the field offices. The form has greatly improved data collection and shows that BIA was providing a higher level of training and technical assistance to bureau employees and Indian tribes than originally recorded.

	1997	1998	1999	Plan 2000	2000	Plan 2001
Number of P.L. 93-638 training sessions held	N/A	2	4	15	22	92
Number of P.L. 93-638 technical assistance workshops held	N/A	0	45	50	57	195
Percent of contract support funds provided to tribal contractors	N/A	84.0%	88.0%	90.0%	88.5%	89.0%

Economic and Technical Assistance

Desired Result: *The Bureau of Land Management (BLM) will meet trust responsibilities while providing economic and other assistance to federally funded tribes.*

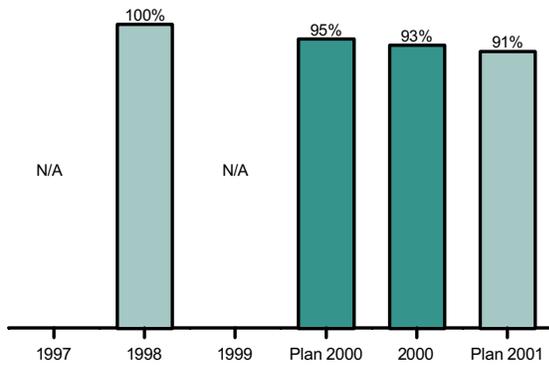
The BLM has a wide range of responsibilities in government-to-government relationships with Indian tribes and Alaska Native communities. These include:

- Disbursing payments of shared revenues derived from activities on the public lands;
- Disbursing payments-in-lieu of taxes (PILT);
- Conveying land to Alaska Native people, Native corporations, and the State of Alaska;
- Settling Alaska Native and American Indian allotment land claims;
- Providing tribes with technical assistance to develop leased energy and mineral resources;
- Providing fire suppression services on all federal and Native lands in Alaska; and
- Adjusting land tenure between federal agencies and states.

Performance Measure: Upon the issuance of leases and permits by the tribes/BIA, BLM has a trust obligation in terms of supporting activities on Indian lands while protecting/enhancing environmental values and minimizing future liabilities. The long-term goal by 2005 is to complete actions on existing energy and mineral leases and permits on Indian lands while protecting/enhancing environmental values and minimizing future liabilities.

2000 Results: In 2000, the BLM responded to 90 percent of the requests for technical assistance for mineral operations on Indian lands, a little below the target of 95 percent. The estimated market value of mineral production occurring on trust lands is \$1.7 billion, while the mineral royalties generated an estimated \$242 million for Indian tribes.

Percent of Requests for Technical Assistance for Mineral Operations on Indian Lands Completed



Tribal Quality of Life

Public Safety and Justice

Desired Result: Provide quality investigative and police services and technical expertise to Indian tribes.

A crime reported in Indian Country is twice as likely to be a violent crime as a crime reported elsewhere in the United States. In contrast, there are fewer than half as many law enforcement officers per capita.

Pursuant to the Administration’s directive of August 25, 1997, the Secretary of the Interior and the United States Attorney General worked with Indian tribal leaders to analyze the law enforcement problems and to provide options to improve public safety in Indian Country. The resulting “*Presidential Initiative on Law Enforcement in Indian Country*” consolidated the existing three major law enforcement areas (uniformed police, criminal investigation, and detention services) under the authority of BIA’s Office of Law Enforcement Services and provided for a considerable increase in the number of on-reservation officers.

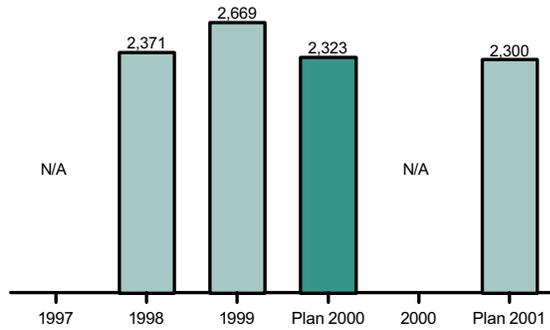
Performance Measure: BIA intends to reduce the crime rate in Indian Country through the hiring of well-trained law enforcement personnel and strengthened efforts to increase clearance rates for crimes. Funding will be used for tribal contracts and compacts and expanded BIA law enforcement operations. The long-term goal by 2005 is to improve law enforcement services on Indian lands and preserve public safety for the citizens of Indian Country by providing a 7 percent reduction in the 1998 Indian Country crime rate for Class I and Class II offenses.

2000 Results: At time of report publication, 2000 data was not available.



Congress first appropriated funds for Indian police in 1879. The act specified that the \$30,000 appropriation was to pay not more than 430 privates at no more than \$5 a month and 50 officers at \$8 a month (photo by BIA).

Number of Class I and Class II Crimes
Per 10,000 Inhabitants in Indian Country



Community Development

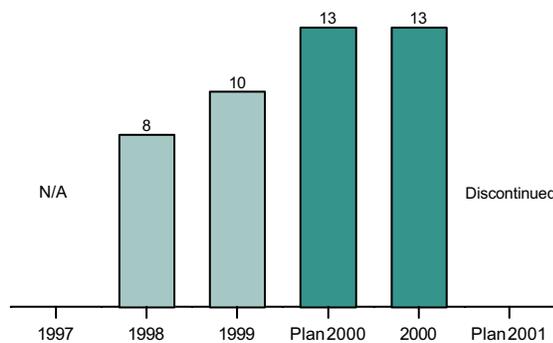
Desired Result: Strengthen tribal communities through the development of self-sustaining economies and improved human and physical infrastructure.

The BIA strives to address major obstacles to economic stability in Indian communities such as unemployment, misrepresentation of Indian art and craftwork, and nonmaintained roads. These issues are all barriers to developing self-sustaining economic bases and the BIA is strongly committed to their reform.

Performance Measure: Eighty-two percent of BIA's building square footage is educational space. Two percent of these buildings are more than 100 years old, 20 percent are more than 50 years old, and 50 percent are more than 30 years old. School replacement priorities are based on a priority list of 13 schools, which comprises the last three uncompleted schools from the priority list published in 1993 and 10 new schools. The long-term goal by 2005 is to improve the safety and functionality of BIA schools and facilities for clients.

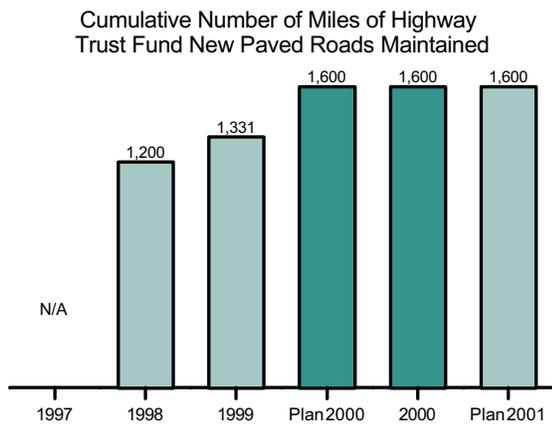
2000 Results: The BIA met its performance target as 13 schools (cumulative) on the Education Facilities Replacement Construction Priority List received replacement construction. This measure will be replaced in 2001 with a new measure.

Cumulative Number of Schools on the
Priority List Receiving Replacement Construction



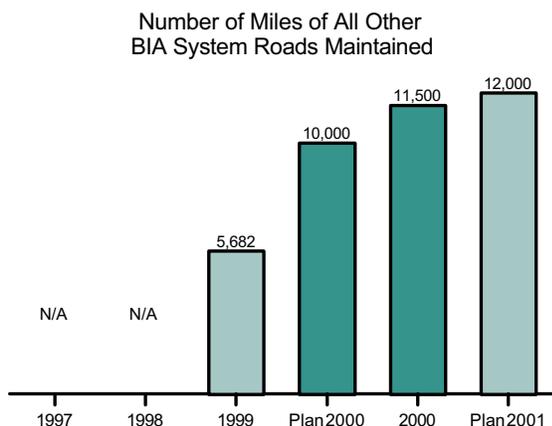
Performance Measure: The Transportation Equity Act of the 21st Century requires that BIA roads and bridges constructed using funds from the Department of Transportation’s Highway Trust Fund (HTF) be adequately maintained to protect the public investment. BIA uses the HTF to fund the construction and improvement of unsafe roads. BIA funds are used for maintenance activities, including smoothing roadway surfaces, cleaning ditches, removing snow and ice, filling potholes, and repairing pavement. The long-term goal by 2005 is to improve HTF-constructed and other BIA system roads and bridges through inspection and maintenance activities to protect the public’s investment and provide the safe transportation systems vital to tribal economic development.

2000 Results: The BIA met its performance target for 2000 by maintaining a cumulative total of 1,600 miles (total inventory is 5,900 miles) of Highway Trust Fund new paved roads.



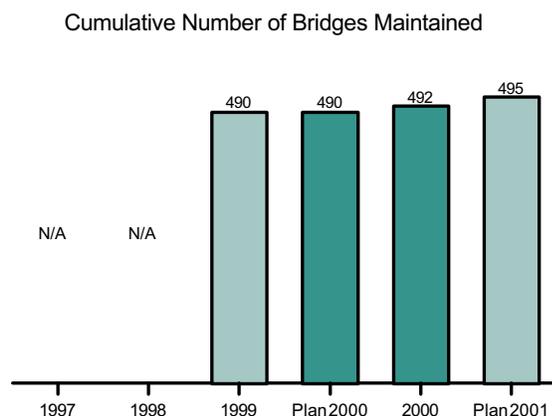
Performance Measure: BIA is responsible for maintaining 24,000 miles of BIA system roads in condition that provides safe and adequate transportation to and within Indian reservations, Indian lands, and Indian communities for the development of economic bases and the enhancement of self-determination. Of these roads, 6,200 are paved miles and 17,800 are unpaved miles. The 24,000 miles fall within the 49,000 miles of roads covered by the Indian Reservation Roads program jointly administered by BIA and the Department of Transportation’s Federal Highway Administration (FHWA). The goal by 2001 is to maintain 12,000 miles of BIA system roads (all surface types) to a safe standard.

2000 Results: In 2000, the BIA exceeded its performance target by 15 percent as 11,500 miles of all other BIA system roads were maintained.



Performance Measure: BIA and the FHWA provide the technical knowledge required to inspect half of all system bridges each year. Funds are used to address bridge safety deficiencies and conduct routine and preventive maintenance activities. The goal by 2001 is to maintain 495 BIA system bridges to address urgent safety deficiencies and complete preventive and routine requirements per inspection reports.

2000 Results: The BIA exceeded its performance target for 2000 by conducting maintenance work on an additional two bridges for a cumulative total of 492 receiving maintenance.



Administrative and Support Services

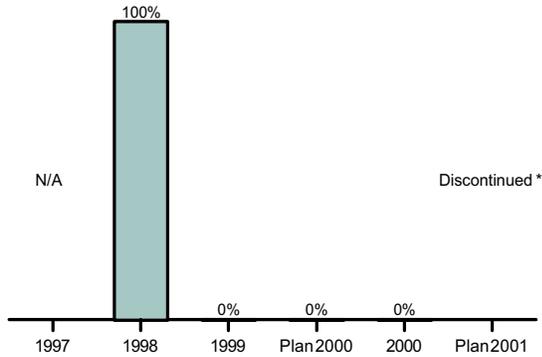
Desired Result: Reduce long-term costs and improve timeliness of services through the use of modern automated techniques and processes for management and ensure the efficient and effective use of resources for new construction, renovation, and maintenance of BIA-funded facilities.

The Bureau of Indian Affairs has deficiencies in several areas of administration that have resulted in material weaknesses in and qualifications of its Annual Financial Report. These deficiencies are in the areas of contracting, property, records management, debt collection, and revenue reporting. All of these deficiencies are documented either as material weaknesses with corrective action plans or as qualifications in the BIA Annual Financial Report. To meet all milestones within the established time frames, BIA is placing the highest priority on implementing corrective action plans and eliminating report qualifications by monitoring the work of staff assigned the responsibilities.

Performance Measure: BIA accounting and program staff are required to devote major labor, time, costs, and efforts to improve the reliability and relevance of BIA accounts. BIA has implemented the Financial Statement Corrective Action Plan for reporting to provide decisionmakers with useful information. The long-term goal by 2005 is to achieve minimum acceptable standards for successful administrative processes by eliminating BIA's existing material weakness in property management, producing unqualified opinions to the financial statements, and bringing prompt payment performance up to the departmentwide standard of 97 percent.

2000 Results: The BIA achieved an unqualified audit opinion on its financial statements in 2000. This is the second year in a row that the BIA has attained a clean opinion from the Office of Inspector General. This performance measure will be replaced in 2001.

Cumulative Reduction in the Percent of Conditions that Generate a Qualified Audit Opinion

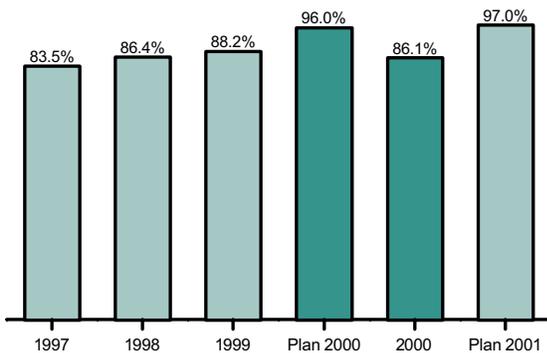


* This measure will be replaced in 2001.

Performance Measure: The Prompt Payment Act requires that payments be made within 30 days of receipt of invoice; otherwise, the federal government is required to pay interest. The long-term goal is to bring BIA prompt payment performance up to the departmentwide standard of 97 percent.

2000 Results: The BIA did not achieve its performance target for 2000 as a result of the relocation of its accounting operations from Albuquerque, New Mexico to Reston, Virginia. Staffing levels were at an all-time low during the relocation process. File transfers from Albuquerque to Reston also disrupted the payment process. With staffing restored, BIA expects to improve prompt pay performance in 2001.

Percent of Invoices Without Interest Penalties



Education

Desired Result: Provide quality education opportunities from early childhood throughout life in accordance with tribal needs for cultural and economic well-being.

The federal government has a special, historic responsibility for the education of Indian children. In Executive Order 13096 on American Indian and Alaska Native Education, the Administration affirmed this responsibility by stating its commitment to improving academic performance and reducing the dropout rate of Indian students. The Order sets forth six goals,

including improved reading and mathematics skills, increased high school completion, improved science education, and expanded use of education technology.

Performance Measure: The implementation of the Educate America Act and the Improving America’s Schools Act of 1994 have enhanced BIA reform efforts. BIA schools are the only “state” in the union where all schools have developed School Reform Plans. The plans include student achievement and behavioral goals, parental involvement goals, and staff development strategies to improve teaching and learning. The goal by the end of 2001 is to improve the percentage of students proficient in Math and Language Arts by a combined total of eight percent.

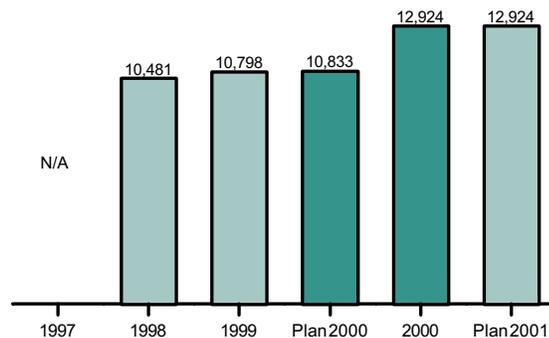
2000 Results: The BIA did not meet performance targets for 2000 as 45 percent of students were proficient in Math and 43 percent of students were proficient in Language Arts. The BIA had to divert education reform resources toward the restructuring and relocation of offices within the Office of Indian Education Programs in an effort to respond to the National Academy of Public Administration study denoting the need for improvement within the administrative support functions.

	1997	1998	1999	Plan 2000	2000	Plan 2001
Percent of students proficient in Math	N/A	41%	43%	47%	45%	51%
Percent of students proficient in Language Arts	N/A	41%	41%	45%	43%	49%

Performance Measure: BIA is working toward full implementation of the Tribal College and Universities Executive Order 13021 for all tribal colleges by coordinating activities designed to increase partnerships among tribal colleges, elementary and secondary schools, and their respective communities. BIA will provide for key requirements in the tribal colleges’ funding priorities such as maintenance of accreditation, fiscal management, instructional capability, library services, student support services, staff and curricula development, and improved facilities maintenance and construction.

2000 Results: The BIA exceeded its performance target by approximately 19 percent as 12,924 full-time students were enrolled in Tribally Controlled Community Colleges and post secondary schools.

Number of Full Time Students at Tribally Controlled Community Colleges and Post Secondary Schools



Trust Services

Resources Management

Desired Result: Assist American Indians and Alaska Natives in protecting and preserving their natural resources on trust lands and shared off-reservation resources.

The BIA's trust lands and resources management programs protect and develop, and enhance the management of, nearly 56 million acres of Indian trust lands, including all ownership interests and rights to surface and subsurface resources, to benefit tribes and their members.

A major responsibility of the BIA is maintaining Indian trust forest lands in a perpetually productive state. The BIA assists tribes and individual Indian forest landowners in managing, developing, and protecting their forest resources through the use of sound ecosystem, silvicultural, and economic principles. These activities provide employment and for revenue to Indian owners.

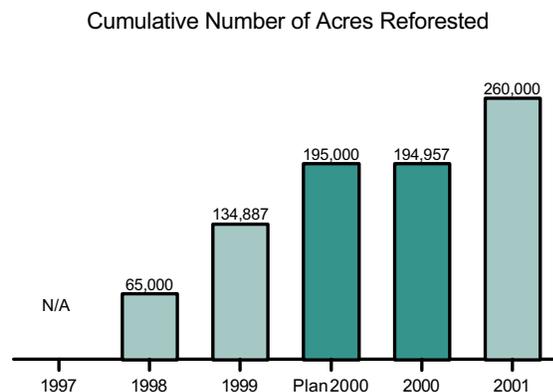
BIA works closely with Indian tribes to support the protection and prudent and integrated management of natural resources located on Indian lands and the meaningful exercise of off-reservation treaty hunting, fishing and gathering rights. Key resource areas receiving support on Indian lands include reforestation, rangeland management, and fish and wildlife management. Key off-reservation resources providing for the exercise of treaty rights include Pacific salmon and Great Lakes fisheries.

Performance Measure: BIA promotes forestry management and development through tree planting and precommercial thinning of areas identified in the annual inventory of forest development needs. BIA also develops forest management plans that set the policy and guidelines for the creation of forest development projects and post-project monitoring. Over 80 percent of the Forest Development Program is performed by tribes under P.L. 93-638 contracts or self-governance compacts.

2000 Results: The BIA reforested 60,070 acres in 2000, barely missing its target of 195,000 cumulative acres. The extreme forest fire season during the summer of 2000 resulted in the cessation of reforestation activities until forest conditions improved due to rain or snowfall.



Tribes' Integrated Resource Management Plans link the natural environment (scientific data and concepts) and social realities (human, cultural, and traditional values), to create resource policies that support a healthy ecosystem while taking into account a community's cultural, economic, and social goals (photo by Interior).



Trust Lands and Resources

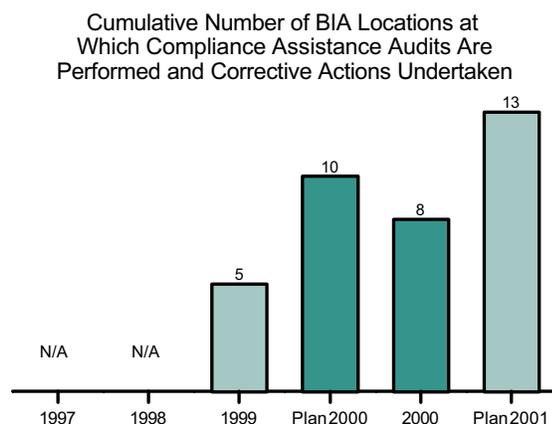
Desired Result: *Ensure the trust responsibility to protect and preserve trust lands and trust resources.*

The Bureau of Indian Affairs is responsible for promoting the protection and preservation of trust resources through tribal litigation and negotiation of land and water settlements, environmental management, improved real estate transactions, and dam repair construction.

BIA strategies for meeting these responsibilities include funding Interior water rights negotiation teams and tribal teams to conduct the legal and technical research needed to settle tribal water rights claims; funding historical and technical studies to support tribal land claims; conducting environmental audits in cooperation with tribes; developing and reviewing existing real estate manuals and handbooks regarding trust resource management to allow for efficient implementation of the BIA's trust responsibility to owners of trust resources; and completing dam repairs in accordance with the Department's Technical Priority Ranking list.

Performance Measure: BIA has recently instituted an environmental auditing program. This program will audit 100 percent of BIA facilities and operations every 5 years. The purpose of the audits is to identify possible areas where BIA is not in compliance with environmental, cultural resources, and endangered species requirements. BIA will correct any identified problems by providing compliance assistance training to BIA staff, improving record-keeping, and, where budgetary resources allow, by funding corrective actions.

2000 Results: The BIA did not achieve its performance target for 2000 as several audits planned for the fourth quarter with the Environmental Protection Agency (EPA) were delayed. EPA was unable to schedule the audits with their contractors because of internal contracting issues. The issues have been resolved and the delayed audits are expected to be completed in 2001.



Trust Management

Desired Result: *Protect and preserve Indian trust assets and collect and accurately account for income due beneficiaries.*

In 1996, the Office of the Special Trustee was established to oversee trust management reforms to make the Department more effective in meeting its Indian trust responsibility. This office assists Interior bureaus and offices in implementing Indian trust reforms as required by the *American Indian Trust Reform Act of 1994*. In 1997, a strategic plan to reform the trust fund management system was submitted to the Administration and the Congress by the Special Trustee, as required by the *Reform Act*.

In 1998, Interior issued the first High Level Implementation Plan (HLIP) for Trust Management Improvement. That plan included the reform steps in the strategic plan that could be implemented under the authority of the Secretary of the Interior.

Eliminating Indian trust management deficiencies continues to be one of the highest priorities for the Department. To evaluate Interior's progress and help us meet our expectations for improving trust management, the Department prepared a revised and updated HLIP that was released in March 2000.

Performance Measure: The HLIP describes 11 subprojects in completing trust management improvements and lays out the major steps that must be taken to reach the reform goals and objectives established in the plan. Two major subprojects that support reliable trust management are the Trust Fund Accounting System (TFAS) and the Trust Asset and Accounting Management System (TAAMS).

2000 Results: In 2000, the Office of Special Trustee reported that 63 percent of the milestones that comprise the 11 subprojects in the HLIP were completed (target was 69 percent); 63 tribes had access to trust asset information; no BIA areas were using the Trust Asset and Accounting System (target was 12); 12 BIA areas were using the Trust Funds Accounting System (target was 12); and 259,621 accounts were established in the Trust Funds Accounting System (target was 275,000).

	1997	1998	1999	Plan 2000	2000	Plan 2001
Percent of milestones of the 11 subprojects completed in the High Level Implementation Plan	0	20%	35%	69%	63%	79% *
Number of tribes with access to trust asset information (318 total)	0	0	159	**	196	N/A
Number of BIA Areas on Trust Asset Accounting and Management System for title functions (12 total)	0	0	0	12	0	N/A
Number of BIA Areas on Trust Funds Accounting System	0	3	11	12	12	***
Number of accounts in TFAS	0	39,000	197,000	275,000	259,621	***

* Nine milestones currently have "To Be Determined" completion dates. If all nine milestones are rescheduled for completion in 2001, the 2001 target would rise to 82 percent.

** Access is provided on requests which cannot be forecasted.

*** These two indicators were completed in 2000.

Island Communities

Serving Island Communities

Desired Result: Assist island communities with improving their governmental operations to deliver more, better, and cost-effective programs and services to their people.

Interior has had a long relationship with the four U.S. territories and three affiliated, autonomous nations. The insular governments include American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, the U.S. Virgin Islands, the Republic of the Marshall Islands, the Republic of Palau, and the Federated States of Micronesia.

The Secretary of the Interior has responsibilities to the islands that are mandated in law and through Executive orders. These are carried out by the Office of Insular Affairs (OIA). Four areas of responsibility are:

- Providing insular areas with financial assistance for government operations and infrastructure development;
- Providing technical assistance and advice to island governments;
- Coordinating with other federal agencies in providing services and developing policies; and
- Representing the Administration's policies and positions in discussion with Congress and four territorial governments.

In its Strategic Plan, the OIA addresses its commitment to island communities in three areas: (1) improving island infrastructure; (2) improving governmental systems and services; and (3) improving governmental relations with the insular areas.

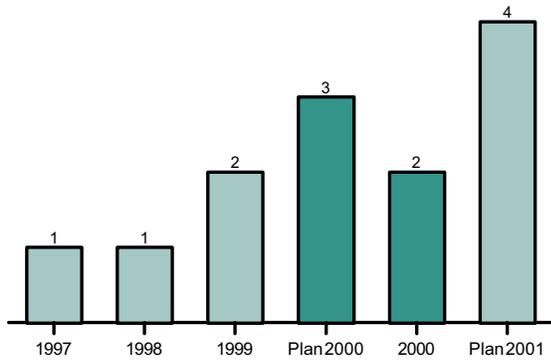


American Samoa consists principally of five volcanic islands and two coral atolls (a total of 76.2 square miles). It is located approximately 2,300 miles southwest of Hawaii and about 2,700 miles northeast of Australia (photo by Office of Insular Affairs).

Performance Measure: The OIA believes it is very important to have long-term plans in place for capital improvements in the insular areas, particularly given the high dependence on federal funding for these improvements. Although plans were mandated under the Compact of Free Association Act of 1985, they have not been rigorously enforced or updated. The long-term goal by 2005 is to ensure that all insular governments are implementing multi-year capital plans for infrastructure that adequately identify operations and maintenance needs.

2000 Results: The OIA did not meet its performance target in 2000 as no multi-year capital plan was completed (target was one). In 1999, the OIA began discussions with the Federated States of Micronesia (FSM) on OIA assistance for a new capital plan. It was not until late 2000 that the FSM government was able to respond favorably to the OIA offer, including meeting a requirement to identify matching funds. A grant was signed in September 2000. It is anticipated that the plan will be completed in late 2001.

Cumulative Number of Multi-Year Capital Plans Completed



Performance Measure: The OIA believes that the ability of insular areas to spend money quickly and effectively is an indicator of good governance. The OIA will use incentives at its disposal to move grants more quickly from award to project completion. The long-term goal is to increase grant productivity by increasing the ratio of projects completed to projects started and reducing the average completion time of projects.

2000 Results: The Office of Insular Affairs increased the ratio of projects completed to projects started for improving infrastructure to .56, exceeding its performance target of .40. The average time from grant award to project completion was 31 months in 2000, slightly below the target of 30 months.

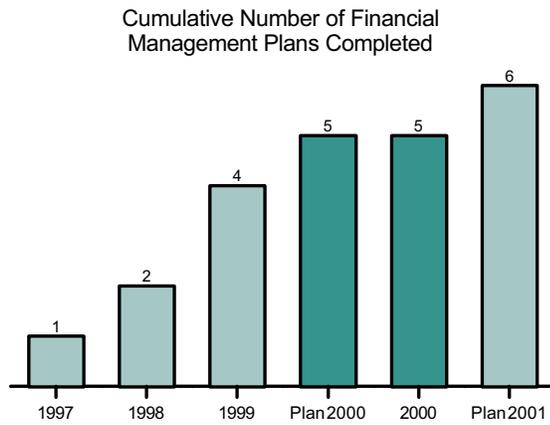
	1997	1998	1999	Plan 2000	2000	Plan 2001
Ratio of projects completed to projects started	N/A	N/A	.29	.40	.56	.50
Average time (in months) from grant award to project completion	N/A	N/A	32	30	31	28

Performance Measure: Good management in the insular governments, as demonstrated by sound financial management practices, is essential to developmental goals and the protection of taxpayers' money. OIA cannot force the governments to develop plans, but it can offer expertise and other incentives if the governments will make the effort. In conjunction with the U.S. Department of Agriculture Graduate School, OIA has gathered a team of experts with significant experience in the federal government, governmental and public auditing, and island financial systems and practices. To date, the program has been successful, specifically in terms of cooperation from the insular governments. The long-term goal by 2005 is to ensure that all insular governments are implementing long-term plans to improve financial management.



The cultures within the four states of the Federated States of Micronesia are tremendously diverse. Eight separate languages with different dialects are spoken throughout the islands: Yapese, Ulithian, Woleaian, Ponapean, Nukuoran, Kapingamarangi, Chuukese, and Kosraean (photo by Office of Insular Affairs).

2000 Results: The OIA achieved its performance target in 2000 as the financial management plan for the Commonwealth of the Northern Mariana Islands was completed.



Performance Measure: The OIA provides both financial and technical assistance to help ensure the insular governments are providing adequate public service and efficient governmental operations. Financial assistance is provided in several forms, including discretionary grants for operations to American Samoa and Enewetak; tax carryovers to Guam and the U.S. Virgin Islands; and guaranteed assistance for general operations and health and education to the freely associated states. The long-term goal is to improve government systems and services by increasing grant productivity through increasing the ratio of projects completed to projects started and reducing the average completion time of projects.

2000 Results: The Office of Insular Affairs increased the ratio of projects completed to projects started for improving government systems and services to .50, exceeding its performance target of .45. The average time from grant award to project completion was nine months in 2000, greatly exceeding the performance target of 50 months.

	1997	1998	1999	Plan 2000	2000	Plan 2001
Ratio of projects completed to projects started	N/A	N/A	.39	.45	.50	.50
Average time (in months) from grant award to project completion	N/A	N/A	61	50	9	40